



Office of the Deputy Under Secretary of the Army Business Transformation DUSA (BT)



Goal: To free human and financial resources that can be better applied toward accomplishing our warfighting requirements and accelerating other aspects of transformation"...

2006 Army Posture Statement

Desired Effects

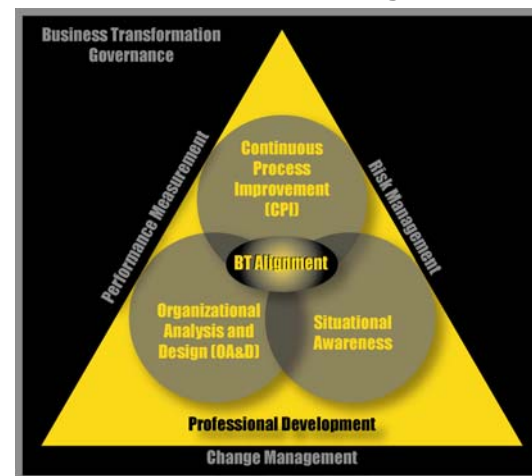
- Maximizing return on taxpayers' dollar
- A culture that drives costs down versus driving budgets up. ..."Defending the Nation is more important than defending the budget"
- A fundamental change in how the Army does business
- A culture of continuous improvement
- Significant reductions in cost and cycle time
- Quality improvements

Impetus for Business Transformation



The confluence of the strategic environment, the global war on terror, and modernization create the context for business transformation. The Army is challenged to meet these diverse demands in an ever changing environment with constrained resources: Status quo is not an option.

Business Transformation Strategic Framework



The Army is taking a holistic approach to Business Transformation (BT) as depicted in the Strategic Framework. BT is being approached from a combination of three focus areas: Continuous Process Improvement (CPI), Organizational Analysis and Design (OA&D), and Situational Awareness.

Continuous Process Improvement aims at increasing quality, productivity, reliability and safety, while reducing costs and cycle time. Organization Analysis and Design examines the function and structure of organizations performing those processes, and redesigns or realigns organizational elements as needed to reduce redundancies and enhance resource efficiency. Situational awareness supports the organization and its processes with the ability to generate actionable knowledge through the use of timely and accurate information about the Army enterprise, its processes, and external factors. This combination of approaches produces a synergistic effect, increasing effectiveness while improving efficiency.

Professional development provides the leaders with the requisite skills, knowledge, and experience to lead the Army enterprise and all its associated organizations. This approach to business transformation includes a robust set of enablers to ensure that business transformation enhances our Army culture-the warrior ethos. The three enablers are: Performance Measurement, Risk Management, and Change Management. Overlaying the transformation effort is the governance process which provides the framework for building, aligning, and institutionalizing the culture of business transformation. Explanation for each is provided on the reverse side.

Governance

- Establishes an enterprise framework of limits that define business rules and align work output units with Army strategic goals.
- Implements the decision processes, controls, and enforcement necessary for BT, such as key performance measures, timelines and milestones to track progress.
- Makes decisions to approve, continue, or terminate BT initiatives.
- Embeds the warrior ethos throughout the Army enterprise to create a culture of innovation that challenges status quo and seeks Continuous Process Improvement.

Performance Measurement

- Drives accountability, visibility, and transparency in assessing progress.
- Establishes organizational direction, inspires and motivates the organization, prioritizes effort, and encourages organizational alignment.
- "What gets measured, gets done"

Organizational Analysis and Design

Creates a world-class organization structure that:

- Focuses on the customer
- Concentrates on the core business
- Organizes around the work
- Differentiates between strategic level staff work and operational work
- Establishes the correct number of organizational layers
- Establishes clear accountabilities, authorities, and critical systems
- Defines the nature of required working relationships
- Develops and implements a change management strategy

Change Management

- Manages people aspect of change to build and sustain commitment to the Transformation effort.
- Synchronizes tools of communication, education, leader accountability, stakeholder involvement, and performance management to build commitment of stakeholders.

Continuous Process Improvement

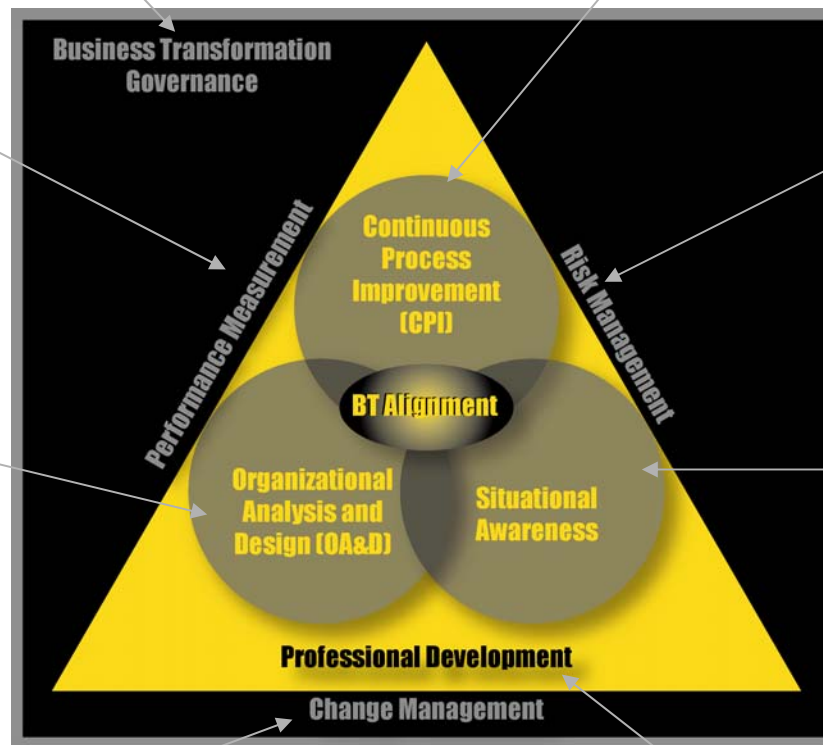
- Focuses on transforming business processes across the Army value hierarchy to support enhanced capability.
- Assesses how work is currently completed and develops improved processes to perform the job more efficiently and effectively.
- Leverages Lean Six Sigma as the Army-wide selected process improvement technique.
- Combines performance improvement principles of waste elimination (lean) and reduction in variation coupled with consistent, repeatable performance (six sigma).

Risk Management

- Assesses the likelihood that a risk event will occur, and executes mitigation strategies to reduce likelihood of occurrence and plans for contingency action.
- Balances investment priorities against risk over time.
- Recognizes that trade-off decisions (e.g., assess priorities, allocate resources) are required with any decision.

Situational Awareness

- Generates actionable knowledge through the use of timely and accurate information about the Army enterprise, its processes, and external factors.
- Enablers include:
 - Enterprise Resource Planning (ERP) Solutions
 - Legacy Applications
 - Data Warehouse
 - Middleware
 - Supports end-to-end processes



Professional Development

- Develop multi-skilled leaders – pentathletes – who personify the Warrior Ethos in all aspects, from warfighting to statesmanship to enterprise management.
- Facilitates Army progression to a Learning Organization by strategically investing in educating, training, certification, and developmental assignments of personnel.

For more information, visit the DUSA (BT) Portal on AKO (Search AKO Sites on keyword: DUSA)